

Message Text

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ORIGIN EB-07

INFO OCT-01 ARA-06 IO-10 ISO-00 STR-04 AGR-05 COME-00

CEA-01 CIAE-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-03

LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 FEA-01

/097 R

DRAFTED BY EB/OT/GCP:JSLATTERY:JM

APPROVED BY EB/OT/GCP:SAHMAD

STR:BSTEINBOCK (PHONE)

AGRICULTURE:RRIEMENWCHNEIDER

COMMERCE:DSCHLECHTY

ARA/BC:RNICHOLSON

ARA/ECP:SFOUTS

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R 221952Z DEC 75

FM SECSTATE WASHDC

TO AMEMBASSY LA PAZ

INFO USDEL MTN GENEVA

LIMITED OFFICIAL USE STATE 300475

E.O. 11652: N/A

TAGS: ETRD, BL, MTN

SUBJECT: BOLIVIAN REQUEST RE GSP AND MTN

REF: LA PAZ 8835

1. EMBASSY REQUESTED TO MAKE FOLLOWING POINTS TO GOB:

(A) USG DOES NOT CONSIDER GSP TO BE PART OF MTN. GSP IS
UNILATERAL PROGRAM OFFERED BY DONOR COUNTRIES TO BENEFICIARY
COUNTRIES. US LEGISLATION EXPLICITLY PROVIDES THAT GSP IS
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TEMPORARY AND HENCE PREFERENCES CANNOT BE BOUND OR "CONSOLI-

DATED" AS A SET OF PERMANENT CONCESSIONS UNDER GATT.

(B) IN CONTRAST TO GSP, MTN AIMS AT TARIFF AND NON-TARIFF LIBERALIZATION VIA NEGOTIATION OF MUTUAL CONCESSIONS ON MFN BASIS WHICH WILL BE BOUND UNDER GATT RULES. WE HAVE INFORMED LDC REQUESTING COUNTRIES IN THE TROPICAL PRODUCTS GROUP THAT WE WILL EXPECT SOME CONCESSIONS FROM THEM IN CONSIDERATION FOR THE TARIFF REDUCTIONS THAT WE WILL OFFER, ALTHOUGH THE CONTRIBUTIONS THAT WE EXPECT FROM THE LDC'S WILL, OF COURSE, NOT BE INCONSISTENT WITH THEIR DEVELOPMENT NEEDS, AS SPECIFIED IN THE TOKYO DECLARATION.

(C) SECTION 101 OF TRADE ACT GIVES THE US EXECUTIVE THE MFN NEGOTIATING AUTHORITY TO REDUCE TO ZERO THOSE TARIFFS WHICH ARE 5 PERCENT AD VALOREM OR BELOW; HOWEVER, TARIFFS WHICH

ARE ABOVE 5 PERCENT AD VALOREM CAN ONLY BE CUT BY UP TO 60 PERCENT. CONSEQUENTLY, IF PRODUCTS WHICH ARE PRESENTLY ON THE GSP SHOULD BE NEGOTIATED IN THE MTN FOR MFN REDUCTIONS, THOSE ITEMS SUBJECT TO DUTY ABOVE 5 PERCENT COULD NOT REPEAT NOT BE REDUCED TO AND BOUND AT ZERO RATE OF DUTY.

2. LIST OF TROPICAL PRODUCT ITEMS ON WHICH US IS PREPARED TO NEGOTIATE IN MTN IS CONFIDENTIAL. US DEL TO MTN HAS BEEN DISCUSSING INDIVIDUAL ITEMS ON THAT LIST IN BILATERAL CONSULTATIONS WITH LDC REQUESTING COUNTRIES, BUT WE DO NOT REPEAT NOT WISH TO MAKE KNOWN FULL SCOPE OF THAT LIST, IN ORDER TO PRESERVE OUR NEGOTIATING FLEXIBILITY.

3. EMBASSY MAY WISH TO SUGGEST TO GOB THAT BOLIVIAN DELEGATION TO MTN CONSULT WITH US MTN DEL ON DETAILS OF THEIR TROPICAL PRODUCTS REQUESTS.

4. GSP PRODUCT LIST WITH FULL PRODUCT DESCRIPTIONS EXPECTED TO BE SENT IN EARLY JANUARY. KISSINGER

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Message Attributes

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Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
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Margaret P. Grafeld
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06 JUL 2006

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To: LA PAZ
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